

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

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GINI SERVICES, LLC et al.,

Plaintiff(s),

v.

PERLE TECHNOLOGIES, INC.,

Defendant(s).

Case No.2:22-CV-1135 JCM (DJA)

ORDER

Presently before the court is plaintiffs Gini Services, LLC (“Gini”) and W. Jeffrey Knowles’s (collectively “plaintiffs”) motion for default judgment. (ECF No. 17). Defendant Perle Technologies, Inc. (“Perle”) did not respond and the time to do so has passed. For the reasons stated below, plaintiffs’ motion is granted.

I. Background

This action arises out of a business dispute between Gini and Perle. The following allegations derive from plaintiffs’ complaint. (ECF No. 1).

Gini and Perle are medical supply companies. (*Id.* at 3). Gini entered into an agreement with World Reach Health (“WRH”) to purchase COVID-19 test kits, which would be supplied to Pointward.¹ (*Id.*). Uttam Reddy and Mendel Bannon allegedly contacted WRH on behalf of Perle and represented that Perle was partnered with Gini. (*Id.* at 4). They also represented that Gini approved an agreement where Perle would pay WRH for the test kits. (*Id.*). WRH received Perle’s

¹ Pointward agreed to wire the funds for the test kits to WRH. (*See* ECF No. 1).

1 payment before Pointward's wire was received. (*Id.*).

2 The test kits were mistakenly delivered to Gini's warehouse in Norwalk, California. (*Id.*
3 at 5). Gini allegedly received "irate and tacitly threatening calls" from Perle's customers
4 demanding access to the test kits. (*Id.*). Further, because Perle allegedly oversold the test kits it
5 paid for, Gini offered to fulfill this shortage. (*Id.* at 6). Gini incurred substantial costs delivering
6 the tests kits to Perle's customers and suffered lost profits because Pointward and WRH declined
7 to do future business with Gini. (*Id.* at 7-9).

9 Plaintiffs' complaint charges defendant with: (1) breach of contract, (2) breach of the
10 implied covenant of good faith and fair dealing, (3) defamation per se, (4) intentional interference
11 with contractual relations, and (5) unjust enrichment/quantum meruit. (*Id.* at 9-12). Perle was
12 served with the summons and complaint in September 2022, and failed to appear or respond to the
13 complaint. (ECF No. 9).

15 On October 10, 2022, plaintiffs moved for entry of clerk's default against defendant. (ECF
16 No. 10). The clerk of court entered default on October 25, 2022. (ECF No. 12). This court denied
17 plaintiffs' first motion for default judgment, finding that they failed to support their request for
18 damages. (ECF No. 16). Plaintiffs now bring their second motion for default judgment. (ECF
19 No. 17).

21 **II. Legal Standard**

22 Obtaining a default judgment is a two-step process. *Eitel v. McCool*, 782 F.2d 1470, 1471
23 (9th Cir. 1986). First, "[w]hen a party against whom a judgment for affirmative relief is sought
24 has failed to plead or otherwise defend, and that failure is shown by affidavit or otherwise, the
25 clerk must enter the party's default." Fed. R. Civ. P. 55(a). Federal Rule of Civil Procedure
26 55(b)(2) provides that "a court may enter a default judgment after the party seeking default applies
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1 to the clerk of the court as required by subsection (a) of this rule.”

2 The choice whether to enter a default judgment lies within the discretion of the court.
3 *Aldabe v. Aldabe*, 616 F.3d 1089, 1092 (9th Cir. 1980). In the determination of whether to grant
4 a default judgment, the court should consider the seven factors set forth in *Eitel*: (1) the possibility
5 of prejudice to plaintiff if default judgment is not entered; (2) the merits of the claims; (3) the
6 sufficiency of the complaint; (4) the amount of money at stake; (5) the possibility of a dispute
7 concerning material facts; (6) whether default was due to excusable neglect; and (7) the policy
8 favoring a decision on the merits. 782 F.2d at 1471–72. In applying the *Eitel* factors, “the factual
9 allegations of the complaint, except those relating to the amount of damages, will be taken as true.”
10 *Geddes v. United Fin. Grp.*, 559 F.2d 557, 560 (9th Cir. 1977); *see also* Fed. R. Civ. P. 8(d).
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12 **III. Discussion**

13 In its order on plaintiffs’ previous motion, the court noted that default judgment was
14 appropriate in this matter but for plaintiffs’ insufficient request for damages. The court will not
15 disturb those findings and expressly incorporates its analysis of the *Eitel* factors as set forth in the
16 previous order. (*See* ECF No. 16). After considering the instant motion and attached exhibits, the
17 court finds that plaintiffs have now properly supported their request for damages. (*See* ECF No.
18 17).
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20 **IV. Conclusion**

21 Accordingly,

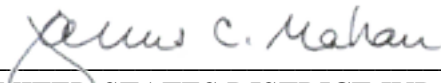
22 IT IS HEREBY ORDERED, ADJUDGED, and DECREED that plaintiffs’ motion for
23 default judgment (ECF No. 17) be, and the same hereby is, GRANTED.
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25 IT IS FURTHER ORDERED that plaintiffs are awarded \$1,477,305.66 in damages and
26 \$350,607.13 in pre-judgment interest through December 11, 2024, plus the per diem amount until
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1 the date default judgment is entered pursuant to NRS 17.130(2). Thereafter, plaintiffs are entitled
2 to post-judgment interest from the date the judgment is awarded, until the judgment is satisfied at
3 the federal rate pursuant to 28 U.S.C. § 1961.
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5 The clerk of court is INSTRUCTED to enter judgment in favor of plaintiffs, consistent
6 with this order, and close this case.

7 DATED June 6, 2025.

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11 UNITED STATES DISTRICT JUDGE
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